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SUBJECT: WEST BENGAL CHIEF MINISTER: PARTY MUST "CHANGE OR PERISH",  
U.S. INVESTMENT WELCOME, MAOIST THREAT MUST BE ADDRESSED

CLASSIFIED BY: Beth A. Payne, Consul General, Kolkata, State.  
REASON: 1.4 (b), (d)

11. (C) SUMMARY: West Bengal Chief Minister Buddhadeb Bhattacharjee said that his Communist Party of India-Marxist must "either change or perish" and he lamented the lack of technocratic expertise within party leadership in a meeting with the Ambassador in Kolkata on October 13. Bhattacharjee reiterated his interest in attracting U.S. investment and eliminating the Maoist threat. While the Ambassador's inaugural meeting with Bhattacharjee was cordial, it is unclear how much political dividend can be gained from the man whose time as head of government in West Bengal appears to be limited.

Communists: "Change or Perish"

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12. (C) In a 75 minute courtesy call with the Ambassador on October 13, an up-beat West Bengal Chief Minister Buddhadeb Bhattacharjee was friendly and showered praise on President Obama. He was also frank in his criticism of the Communist Party of India-Marxist (CPI-M). Bhattacharjee, a member of CPI-M's Politburo, argued that communist ideology needs to "either change or perish." He lamented the fact that long-term politicians and outdated ideology continue to overwhelmingly dominate the Left in India. He contrasted this with the technocrats and other experts that now have power within China's communist party.

Pro-U.S. Investment and Education

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13. (C) Bhattacharjee told the Ambassador that he continues to welcome U.S. investment in West Bengal and noted the benefits that Pepsico's Frito Lay factory has brought to potato farmers in this state. Unlike his party colleagues, he supports U.S. educational institutions establishing independent branches in India without local partners. He specifically asked if the Ambassador might help with encouraging American businesses to invest in West Bengal and help connect community college expertise to local mining needs. He pointed out that several of his top advisers and allies within CPI-M have U.S. educations, including the West Bengal Finance Minister, Asim Dasgupta, who has a PhD from MIT.

Anti-Maoist: Carrots and Sticks

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14. (C) Bhattacharjee said that he, the Prime Minister and the Home Minister agreed in recent meetings in New Delhi that the national and state governments need to improve coordination of efforts to eliminate the Maoist (aka Naxalite) threat. They agreed on the application of force when necessary with the caveat that it be accompanied by development. According to Bhattacharjee, national and state government leaders have informal contact with Maoist leaders, but he ruled out an official political dialogue until the Maoists agree to lay down their arms. He asserted that the Maoists are not receiving any foreign support, opining that they obtain arms locally and by purchasing arms from corrupt Indian Army personnel.

Comment

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15. (C) Despite Bhattacharjee's pro-investment, pro-U.S. attitude, West Bengal has had more hiccups than success in attracting sizable foreign or domestic investment. One of the chief factors is the lack of a bi-partisan political consensus on development and land acquisition. There is also no political consensus on tackling the Maoist threat in West Bengal, with each party trying to use the conflict to its advantage. With CPI-M's weakened political position and opposition party All India Trinamool Congress's rise, there will not likely be political consensus on either issue before state assembly elections in 2011. Despite being personally pro-American, Bhattacharjee will follow the dictates of the CPI-M leadership and we will likely still see anti-American imperialism rhetoric in the run-up to the state assembly elections.

PAYNE